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## MEMORANDUM

To: Chairperson Rhoades and members of the House Appropriations Committee  
From: Jill Ann Wolters, First Assistant Revisor  
Date: April 19, 2012  
Subject: SB 427, as amended by Senate Committee, Kansas housing loan deposit program

Senate Bill No. 427 amends the statutes concerning the Kansas housing loan deposit program to allow loans for building new adult care homes or rehabilitating existing adult care homes. Adult care home means any nursing facility, nursing facility for mental health, intermediate care facility for the mentally retarded, assisted living facility, residential health care facility, home plus, boarding care home and adult day care facility; all of which are classifications of adult care homes and are required to be licensed by the secretary of aging. Such adult care home loans can be for a term of no more than 20 years.

Under the current program, loans can only be made for single or multi-family dwellings that initially sell or are appraised at or below the average area purchase price safe harbor for Kansas, as established by the state treasurer. Such home loans can be for a term of no more than five years. The total aggregate amount of housing loan deposit loans under the program shall not exceed \$60,000,000 of unencumbered funds. No more than \$2,000,000 shall be outstanding at any one time to any developer borrower.

This program was established in 2008 and is administered by the state treasurer.

The bill would become effective upon publication in the statute book.

The Senate Committee amendment was a drafting oversight. To implement the policy, K.S.A. 2011 Supp. 75-4209 also needed to be amended.